

George Odell Environmental Team Lead

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Carey Bylin Natural Gas Star Program U.S. Environmental Protection Agency 1200 Pennsylvania Ave., NW (MC6207-J) Washington, DC 20460

Dear Ms. Bylin,

Please find enclosed the 2010 Annual Report for Chevron North America Exploration and Production Company's MidContinent Alaska Business Unit.

If you have any questions, do not hesitate to contact Ms. Kate Hauer at (713) 372-1295 or katehauer@chevron.com.

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George Odell

Enclosure

Chevron has been a participant in the Natural Gas STAR program since 1995. The program is a voluntary partnership between the EPA and the oil and gas industry to encourage methane emissions reductions among natural gas producers, processors, and transmission companies. As a partner, Chevron is required to annually report our methane emissions reductions. Below is a summary of the 2010 MCA results, collected through collaboration HES Specialists, Compressor Optimization Specialists and a review of the MCA capital project list.

Projects		Methane Reductions		\$ Spent	Value of Gas Saved ²
2	Flares	4.0	MMCF	\$3,466	\$28,000
62	Plunger Lifts	291.4	MMCF	\$2,199,955	\$2,039,800
78	Pumping Units	75.9	MMCF	\$3,558,202	\$531.258
24	Velocity Strings	112.3	MMCF	\$1,118,150	\$786,240
4	Electric Compressor	0.6	MMCF	\$66,212	\$4,431
75	Soap Units	2.5	MMCF	\$15,535	\$7,640
8	Ignition Systems to Comp.	6.1	MMCF	\$128,000	\$42,448
9	Instrument Air	52.0	MMCF	\$116,987	\$364,240
9	VRUs	0.3	MMCF	\$1,312,528	\$2,660
271	TOTAL	1,003.3	MMCF	\$8,795,728	\$7,022,893

Most methane reductions are calculated using emissions factors provided by the EPA NG STAR program

Gas value based on \$7/mcf